

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

CAMBRIDGE FUNDING SOURCE LLC,

Petitioner,

-v-

EMCO OILFIELD SERVICE LLC, *et al.*,

Respondents.

22 Civ. 10741 (PAE)

ORDER

PAUL A. ENGELMAYER, District Judge:

Petitioner Cambridge Funding Source LLC (“CFS”) commenced this action on December 20, 2022 pursuant to the Federal Arbitration Act, 9 U.S.C. § 9 (“FAA”). Dkt. 1. On December 29, 2022, CFS filed an amended petition. Dkt. 8 (“Petition”). On January 5, 2023, CFS served respondents Emco Oilfield Service LLC and Emco Alpha LLC (together, “Emco”). *See* Dkts. 22–23. Emco failed to appear. On March 16, 2023, the Clerk of Court issued a Certificate of Default as to Emco. Dkt. 41.

On July 25, 2023, the Court issued a scheduling order directing CFS to file and serve any additional materials with which it intended to support its petition to confirm the arbitral injunction. Dkt. 72. On August 8, 2023, CFS submitted its memorandum of law and supporting declaration. *See* Dkts. 73–74.

CFS’s papers in support of its petition are in good order. But two matters must be resolved before the Court can reach the petition’s merits.

First, jurisdiction. “A federal court may entertain an action brought under the FAA only if the action has an independent jurisdictional basis.” *Badgerow v. Walters*, 142 S. Ct. 1310, 1316 (2022) (cleaned up). In its amended petition, CFS asserts diversity of citizenship of the

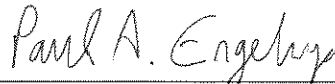
parties as the sole basis for federal jurisdiction. *See* Petition ¶ 12. Each party is a limited liability company (“LLC”).¹ An LLC “takes the citizenship of each of its members.” *Bayerische Landesbank v. Aladdin Capital Mgmt. LLC*, 692 F.3d 42, 48 (2d Cir 2012). Although the amended petition alleges each party’s state of formation, *see* Petition ¶¶ 1–3, it does not allege the citizenship of each party’s members. The Court has an “independent obligation to consider the presence or absence of subject matter jurisdiction *sua sponte*.” *Joseph v. Leavitt*, 465 F.3d 87, 89 (2d Cir. 2006).

To enable the Court to determine whether there is diversity of citizenship, the Court directs petitioner to file, by **September 19, 2023**, a sworn declaration alleging (1) the citizenship of natural persons who are members of each party and (2) the place of incorporation and principal place of business of any corporate entities who are members of each party.

Second, service on Emco. If Emco wishes to oppose the petition, its counsel shall enter a notice of appearance prior to **September 26, 2023**, and file a response to CFS’s petition by **October 4, 2023**. CFS is to serve this order, and the papers in support of its petition, on both Emco and Emco’s arbitration counsel forthwith and file proof of service no later than **September 19, 2023**.

SO ORDERED.

Dated: September 12, 2023
New York, New York



Paul A. Engelmayer
United States District Judge

¹ On July 24, 2023, CFS stipulated to the dismissal of several respondents (specifically, Michael Galvis and associated entities: MDT Advisory Services LLC; DFW Painting LLC; and Paint America LLC). *See* Dkt. 70. The sole remaining respondents are Emco Oilfield Services LLC and Emco Alpha LLC.